{In Archive} hydraulic fracturing in the news

Brian Graves, Ken-E Johnson, Michael Bechdol, Michael

Beth Wagner to: Overbay, Mike Frazier, Ray Leissner, Susie McKenzie, Jessica Duggan, David Parker, Philip Turner, Rob

Susie McKenzie, 08/13/2012 12:42 PM

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Fracking, Legislation and the Court _ Brookings Institution.pdf

Public disclosure database kept private

Mike Soraghan, E&E reporter Energywire Published: Monday, August 13, 2012

The government agency that helps maintain the Fracfocus.org registry of hydraulic fracturing chemicals has refused to release the full database, keeping the government-mandated disclosure in private hands.

The Interstate Oil and Gas Compact Commission (IOGCC), based in Oklahoma City, is not subject to federal or state open records laws, commission Director Carl Michael Smith wrote in reply to a request from EnergyWire.

"IOGCC is an interstate compact of its member states and is neither a state nor federal agency," Smith wrote in his response. "IOGCC is not subject to either the federal Freedom of Information Act or the Oklahoma Open Records Act." http://www.eenews.net/assets/2012/08/13/document ew 01.pdf

The FracFocus registry is managed by the IOGCC and the Groundwater Protection Council (GWPC), a private nonprofit governed by a board of state water regulators. GWPC had already rejected a request from EnergyWire for the FracFocus database (EnergyWire, May 21).

The headquarters of the Interstate Oil and Gas Compact Commission in Oklahoma City. Photo by Mike Soraghan.

Open-government and environmental groups have been disturbed to see FracFocus becoming a substitute for traditional regulatory disclosure, saying the site limits its usefulness in a way that provides less transparency and accountability than standard government disclosure.

Despite that, White House and Interior Department officials are considering incorporating FracFocus into the federal government's plan to require disclosure of fracturing chemicals used on public lands, even though the administration's advisory panel on fracturing faulted the site for not making data easily accessible (Greenwire, Aug. 11, 2011).

Earlier this summer, President Obama's top aide on energy and climate change issues, Heather Zichal, told an industry luncheon that the administration views the use of FracFocus as a way to avoid duplication (E&ENews PM, June 21).

FracFocus was originally designed as a voluntary disclosure site for drillers amid growing calls for increased public disclosure of fracturing chemicals. It was intended as a way for people who live near wells to look up what was being used when those wells got "fracked."

But since then, many states have made such disclosure mandatory. Many have allowed or required disclosure through the FracFocus registry, which has the effect of putting government-mandated disclosure data in the hands of a private group, GWPC.

The site's design prevents the use of that data for broader analysis. Its terms of use forbid the kind of broad use of the chemical information needed to cross-reference it against other data. And presenting it well by well in PDF format, rather than a spreadsheet or database format, blocks in-depth analysis.

GWPC Executive Director Mike Paque said earlier this year that FracFocus was never designed to be a "national environmental analytic tool."

The IOGCC was formed in 1935 as a congressionally sanctioned organization of states to boost and stabilize oil prices amid supply gluts. The official members of the commission are the governors of the 30 member states. But governors generally appoint alternates, usually the state's top oil and gas official or an oil company executive.

The organization's website describes it as a "multistate government agency." But in addition to refusing to release the FracFocus database, IOGCC also declined EnergyWire's request for basic financial data, which most governments must disclose.

Smith did not respond to request for comment.

On FracFocus, wells can be searched by operator, state and county. But because the site is not aggregatable, the results cannot be organized into a chart. Instead, there is an individual PDF for each of the more than 17,000 wells.

To make a chart of all the chemicals used, a researcher would have to open each one and copy the list.

States can and do present other information, such as oil and gas production data, in spreadsheet form.

Oil and gas industry groups such as the Independent Petroleum Association of America oppose making the chemical data available in such spreadsheet format for fear that drilling opponents might misinterpret it.

Shale Gas to the Climate Rescue

By ALAN RILEY The New York Times Published: August 13, 2012

There is little recognition by either side that current policies to reduce carbon dioxide emissions are inadequate for dealing with the threat that they pose. It is the coal-fueled growth of countries like China and India that generates much of these emissions. Unless a cheap, rapidly deployable substitute fuel is found for coal, then it will be next to impossible to safely rein in rising carbon dioxide levels around the world.

Although the green movement might at first see shale gas as an enemy in this fight, it may in fact turn out to be a friend. Broad development of shale gas resources — with proper ecological safeguards — could be the best way to achieve the quick cuts in carbon dioxide emissions that we need to maintain a habitable environment on Earth.

The International Energy Agency has made it clear that, under current energy policies, the door is closing on our attempts to contain the carbon-driven rise in global temperatures to within 2 degrees Celsius (3.6 Fahrenheit) by the middle of the century. In fact, worldwide carbon dioxide emissions from burning fossil fuels reached a record high of 31.6 gigatons in 2011. With emissions rising by one gigaton per year, it appears the temperature-increase target will most likely be missed.

The shale gas revolution could be the means of blunting the rise of carbon dioxide emissions and give new hope for staying within the 2 degrees Celsius scenario. This resource is widely dispersed across the planet, cheap to develop and offers many of the same energy benefits as coal. If exploited properly, it could replace coal within a couple of decades as a primary fuel.

By developing shale gas as a replacement fuel for coal we retrieve the prospect of blunting – and possibly reversing – the upward climb of carbon dioxide emissions. Shale gas emits 50 percent less carbon

dioxide than coal, and so if countries like China and India made the switch on a large scale, then we have a chance to reset the trajectory of global carbon dioxide emissions.

A widespread turn to the use of shale gas would give the planet precious time to develop other, renewable solutions to further lower our output of carbon dioxide. Current renewable energy sources cannot in any way deliver the same savings in carbon emissions that we can achieve by replacing coal with shale gas.

One only has to look to China to see the strong potential of this solution. With the world's largest shale gas resources, the country has set out a vast gas development program in its latest five-year economic plan. Output would rise from 6.5 billion cubic meters of shale gas by 2015 to 100 billion cubic meters by 2020. And if China can produce that much by 2020, is there any reason to think it cannot pump out 800 billion cubic meters by 2030?

Such a development program would be similar in scale to that undertaken in the United States, which has seen shale gas rise from 1 percent of gas production in 2001 to 37 percent last year.

China can surely achieve these goals, especially given all the new technology available to the shale gas industry, along with abundant state capital. That the government is focusing its efforts in this direction is another reason to believe that China can reach these production levels. An output of 800 billion cubic meters a year — combined with far-higher levels of energy efficiency — would allow China to slow, and then terminate, its coal-expansion plans and ultimately end its reliance on coal-fired energy altogether.

The United States could play a key role in encouraging China and other developing nations to switch from coal to shale gas. The State Department has launched a Global Shale Gas Initiative to facilitate the transfer of technical expertise to other countries to ensure safe development of this new resource. The United States could also lead the way in creating a credible, alternative climate change strategy in which the use of shale gas becomes the driver of radical cuts in carbon dioxide emissions over the short and medium term.

Such a strategy would include establishing a series of Shale Gas Trusts around the world to disseminate information, know-how and assist in building regulatory capacity. A second part of the strategy would press for the gradual suppression of coal use and the global trade in coal, with compensation outlays for the coal industry as a whole.

Suppressing the production and trade in coal would be vital for three reasons. First, it would demonstrate the West's commitment to replacing coal. Second, we would be able to transfer the social, regulatory and business know-how to other nations to encourage coal suppression. Third, it would push up the price of coal to encourage states to switch from coal to shale gas.

Of course the coal industry in the West would resist suppression. But the reality of rising access to cheap shale gas will in any event increasingly undermine the profitability of coal. A compelling business case can be made to the coal industry that compensation and access to the shale gas industry is a better option than remaining in coal.

Successful worldwide cooperation in suppressing coal could provide the basis for building a credible international coalition to further decarbonize the energy system beyond shale gas and into a fully renewable economy.

As controversial provisions of Pennsylvania's new oil and gas law work their way through the judicial

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Natural gas and its role in the U.S.' energy endgame (Yale e360) http://e360.yale.edu/feature/natural gas role in us energy endgame/2561/

All eyes on politics, technicalities in ongoing Act 13 challenge Ellen M. Gilmer, E&E reporter Energywire Published: Monday, August 13, 2012

wringer, attention is on the political makeup of the state's Supreme Court.

The court is evenly split between three Republicans and three Democrats, while a seventh judge, Justice Joan Orie Melvin, is suspended. Though the issues at stake -- gas development and local self-government -- don't give way to clean breaks on party lines, the absence of conservative Orie Melvin may prove inconvenient to supporters of the Republican-passed Act 13.

In dispute is the constitutionality of a section of the law that bans municipalities from relegating natural gas operations to specific zones. The Pennsylvania Commonwealth Court struck down those provisions last month in Robinson Township v. Commonwealth, along with another measure in the law that would allow the state to waive certain environmental safeguards for gas drillers.

The Pennsylvania Public Utility Commission and Department of Environmental Protection immediately filed an appeal of the 4-3 decision, sending it to the state Supreme Court for consideration. The court has not yet said whether it will take up the case, but attorneys on both sides expect it to.

No specific timetable is known at this point. Lawyers for the state and for the municipalities have pushed for expedited review, requesting that the court take up the appeal during an October session in Pittsburgh. Otherwise, the case would hold until the November-December session in Harrisburg or be delayed longer.

"I would be surprised if the Supreme Court does not accept the request," said Scott Coburn in an online presentation last week. Coburn is general counsel for the Pennsylvania State Association of Township Supervisors (PSATS), a group that supported Act 13's passage in February.

Also speaking during the Act 13 presentation, hosted by Penn State Extension Service, was Scranton-based energy attorney Steve Saunders, who said the makeup of the court will add a challenge to the state agencies' appeal.

"There's going to be an enhanced burden on the Commonwealth parties ... to prevail," he said, "because in order for them to overturn or reverse the decision of the Commonwealth Court, they're going to have to get four votes."

And that means winning over at least one of the liberal-leaning judges.

"Judges aren't supposed to make decisions on that basis," he acknowledged later in an interview with EnergyWire, "but it's a possibility that that may enter into it."

If the Supreme Court splits the decision 3-3, the lower court's ruling would stand.

Arguing precedent

Coburn, of PSATS, said the court is left to decide on four main issues: whether the challengers to Act 13 have legal standing; whether the issues are actually political questions best left to legislators instead of the court; whether the Commonwealth Court was correct in its interpretation that the zoning provisions of the law are unconstitutional; and whether the court was correct in its interpretation that the waiver provision is unconstitutional.

Potentially significant to both sides' arguments will be the precedent set by the state Supreme Court in the 2009 decision Huntley & Huntley Inc. v. Borough Council of Borough of Oakmont, in which the court upheld a local ordinance that banned gas drilling in residential districts.

The court ruled that Pennsylvania's existing oil and gas law was constitutional in its pre-emption of communities' ability to regulate operational aspects of oil and gas development but that there was not enough legislative guidance for the law to pre-empt local control of oil and gas siting. In other words, communities could not regulate how gas operations occurred, but they could regulate where.

Attorneys for the state argue that Act 13 now provides that legislative guidance, giving the state license to

pre-empt local zoning provisions. The petitioners argue that the provisions would amount to more than simple pre-emption by undermining the constitutionality of zoning across the board.

Tricky technicalities

A more immediate issue for case observers is a technicality that prompted municipalities to ask the Commonwealth Court to reaffirm an existing injunction on enforcement of the zoning provisions. That injunction was put in place during proceedings earlier this year.

Even though the Commonwealth Court's decision immediately nullified the zoning provisions, an abstract appellate rule allows for an injunction to be lifted in favor of the state during appeal. In other words, in the case of any appeal, the state has the advantage of automatic supersedeas -- setting injunctions aside until the higher court has ruled.

"Petitioners question the applicability of the rule because of its potentially draconian effect relative to injunctions," petitioners wrote in the request to ignore that rule or maintain the injunction.

They outlined a mock scenario in which a lower court enjoined a state from knocking down a building. Once the state appealed the court's decision, the injunction would be stayed, and the state could knock down the building before the Supreme Court makes a ruling.

"It is plainly apparent that this convoluted outcome cannot be justified by the terms of the rule," the request says.

The attorneys are requesting the reaffirmation of the injunction out of "an abundance of caution" in case the state tries to act on automatic supersedeas. Pennsylvania courts have previously decided that the rule is not absolute, and the petitioners in this case believe the court will vacate it.

BP says asset sale will allow more focus on shale exploration

Nathanial Gronewold, E&E reporter Energywire Published: Monday, August 13, 2012

HOUSTON -- Executives at BP PLC have announced that they are selling off more North American assets as the company continues to climb out of the financial hole left in the wake of the 2010 Gulf of Mexico oil spill disaster.

Last week, the company told investors and the media that it was selling off natural gas gathering and processing facilities located in the Texas Panhandle region. The deal does not involve selling off any of BP's gas production in the region, however.

Eagle Rock Energy Partners will acquire the facilities for \$227.5 million in a transaction that should close out by the fourth quarter of this year, BP said. Two centers, natural gas gathering and processing plants in Hemphill and Moore counties near the Oklahoma state line, will be sold off to Eagle Rock.

The company did not suggest that the asset sale was related to the steep drop in earnings the company reported for the second quarter of 2012. BP recently reported that its net earnings plunged by 35 percent from where they stood at the end of the second quarter in 2011 and 23 percent from the first three months of this year (EnergyWire, Aug. 1).

Rather, BP said in a release that these midstream assets were a better fit for a company like Eagle Rock that focuses on that market segment, freeing BP to better focus on exploration and production and its growing presence in the North American shale and tight oil and gas developments.

"BP believes these assets, which serve BP's natural gas production in the Texas Panhandle region, will be more strategically valuable to a company that specializes in midstream oil and gas operations," company spokesmen said.

The company says it maintains its position as the second-largest producer of oil and natural gas in the United States and has invested more in the United States in recent years than any other hydrocarbon

producer -- more than \$52 billion in capital expenditures over the previous five years.

With fracking ban on the November ballot, Colo. city official talks lawsuits

Energywire Published: Monday, August 13, 2012

After a group in Longmont, Colo., succeeded this week in placing a hydraulic fracturing ban question on the November ballot, a city council member is vying to land an initiative that asks voters how they would like to be taxed when the city loses a lawsuit over the ban.

City Council member Bonnie Finley said during a July 24 council meeting that she was concerned about how Longmont would pay for a suit defending an outright ban on fracturing, or fracking, the process drillers use to draw oil and gas from underground shale rock.

In some cases, residents who own land that sits atop oil and gas deposits stand to make millions by leasing their property to drilling companies.

"I'm not worried about the lawsuit itself," said Finley, who works for a commerce and industry group that essentially serves as Colorado's chamber of commerce. "I think we have money for the lawyers. What we don't have money for, I don't think, are the damages. Should fracking be banned altogether in Longmont, that's taking away the mineral rights owners' rights to access their minerals. So they would in turn sue us because of the loss of their right."

Responding to questioning from Finley, City Attorney Eugene Mei said Longmont's risk management loss fund currently holds about \$1.36 million. The councilwoman said she had been informed that it would cost the city at least \$4 million a year to defend itself against mineral rights suits. Mei said a Sept. 4 council meeting is the last chance to add a ballot initiative authorizing Longmont to raise the additional funds.

Finley's preliminary proposal is to offer voters a choice of three fundraising methods if the city's loss pool is ever drained due to a fracturing ban lawsuit: a property tax increase, a sales tax hike or a citywide utility fee.

When asked whether the fundraising initiative would deter residents from voting in favor of the fracturing ban, Finley said voters "just need to go in with their eyes wide open. Everyone needs to know what the facts are."

Although she works closely with the oil and gas industry in her role at the Colorado Association of Commerce and Industry, Finley said she has not discussed potential damages with companies, nor does she feel any pressure from the industry.

"The only people who have threatened me are the anti-fracking people," Finley said. "I've gotten nasty phone calls and nasty emails. ... The people who are nasty are on the other side."

Our Health, Our Future, Our Longmont, the group behind the fracturing ban question, has called on Finley to resign her council seat due to conflicts of interest regarding her employment with the commerce and industry association.

The group says fracturing -- which requires high-volume injections of water, sand and chemicals into wells -- could pollute groundwater and pose other dangers to public health.

In response to Finley's loss fund efforts, Our Longmont spokesman Michael Bellmont issued a release saying, "This initiative is meant to scare the people of Longmont. It is intended to make the Longmont voter and taxpayer believe that they have to choose between their health and safety and their wallets" (Jefferson Dodge, Boulder Weekly, Aug. 9). -- PK

Kan. oil boom gives boost to some, but not others

Associated Press State Wire: Kansas (KS) - Sunday, August 12, 2012

Author: The Wichita Eagle

WICHITA, Kan. (AP) – A southern Kansas oil boom that started two years ago has given landowners an infusion of cash from lease payments and boosted local governments and businesses.

Largely out-of-state oil companies have drilled hundreds of horizontal wells in places like Sumner, Harper, Barber and Comanche counties, delivering an enormous financial boost.

But the Wichita Eagle (http://bit.ly/TvaWBt) reported that there's a negative impact for some without a stake in the oil industry because of rising housing costs.

Eric Smith and his wife, Kathy, are among those reaping the benefits of increased economic activity.

The Smiths own the 16-room Anthony Motel, which normally gets decent business – especially during hunting season. Since the oil companies arrived in Harper County, it's usually full.

As a result, the couple decided to build a 45-room motel at the northern edge of the city. The Cobblestone Hotel is slated to open next month and employ six to eight people.

"I felt like we needed to take advantage of this somehow," Eric Smith said.

The revived oil industry and establishment of wind farms have meant an increased number of lease payments in the hands of local governments. The energy boom also has resulted in land values along the state's southern border climbing sharply.

The Kansas Department of Revenue says total assessed value of Harper County land rose 33 percent between January 2010 and January 2012. Barber County's assessed value went up 34 percent and Comanche County's rose 27 percent during the same period.

But the farmland market has been hurt by the boom, said Brandon Gerber of Gerber Auction and Real Estate in Anthony.

"Why would I sell my land if there was a gusher of oil underneath?" he said

And home prices are going way up because people who are flush with cash can afford to pay higher prices for property that suddenly is in high demand. It's hurting many residents, especially young people, said Allie Woods, a resident of Harper.

Woods said she pays \$400 a month for a rental house, but has to move because the home is being sold. A similar house that she looked at is renting for \$1,000 a month, she said.

"The ones that are getting money (from the oil boom) are enjoying it," she said. "The ones who aren't don't like it so much."

There's also a lot of skepticism from traditional Kansas oil companies, though a few of the bigger ones are now trying horizontal drilling.

Shell Oil Co. recently filed an intent to drill notice in southwest Sedgwick County. Others also have started moving north and west of the original counties in search of oil.

Smith, the hotel owner, said even though he's making a big investment in the future, he's not completely convinced the boom will still be around in four years.

"If this stays and I don't do this, I'd have missed out," he said. "If it doesn't, well, I'll work it out."

Blackfeet women make pilgrimage to call attention to hydraulic fracturing on native land

Billings Gazette, The (MT) - Sunday, August 12, 2012

Author: TRISTAN SCOTT Missoulian

HEART BUTTE - Since Pauline Matt started walking a week ago, she's been blistered, sunburnt, bug-bit and blessed.

She's climbed mountains and danced across asphalt, which in this August heat is black as a stovepipe and hot as a griddle. Afterward, she's bunched up her long, flowing skirt to wade through cool, knee-deep, mountain-fed water. At every river and stream crossing, she's offered sacred tobacco and shed tears, sung songs and silently prayed.

The 60-year-old Blackfeet woman nearly jumped a grizzly bear crossing the St. Mary River, but on Friday she finished her pilgrimage, having trekked from one holy mountain to another, covering 80 miles along the way.

She calls it the Chief Mountain Water Walk, and even though Matt is relieved to be done, she realizes that it's merely one small step toward the goal that consumes her - raising awareness about what she believes to be irreparable environmental hazards posed by the widespread hydraulic fracturing occurring on the Blackfeet Indian Reservation.

"This walk is like dipping our toes in Twin Lakes and causing those tiny ripples," she said, referring to the small, clear lake west of here, where she and other water walkers had just knelt and prayed. "We are just beginning to start a tiny ripple, and we pray that our Native people will feel it. When this walk is over, I will be tired. But I will go on."

Throughout Matt's journey, which took her from the sacred site of Chief Mountain to the sacred site of Heart Butte Summit, she carried a deer-hide basket etched with the silhouettes of elk. Inside, a Mason jar was filled with fresh spring water, which she collected from a seep on the sacred mountain at Heart Butte and had blessed by an elder. Dried tobacco leaves from Matt's herb garden sloshed about inside the grail, turning the water the color of apple rust.

The contents of the basket represented the sacred water of the Blackfeet Nation, Matt said, and she returned them ceremoniously to the natal spring after completing her walk.

"From one holy mountain to another," said Rachel Wibbert, the only other enrolled tribal member to accompany Matt on the entire Chief Mountain Water Walk, which began Aug. 5.

A rotating cast of walkers, many of them strangers, joined in during the six-day pilgrimage, sometimes totaling more than two dozen. Passing motorists waved happily and allowed a wide berth as a support trailer carried water and camping gear. But only Matt and Wibbert covered the entire distance on foot, sleeping beneath the stars each night and rising early before the hot summer sun rose high.

The women organized the walk as part of a grassroots effort called Blackfeet Women Against Fracking , a group born of several informal meetings held at Matt's home near Browning.

Virtually all of the Blackfeet Reservation's 1.5 million acres are leased for oil and gas exploration, and there has been renewed interest in development on a tract of land directly adjacent to Glacier National Park's eastern border, along which the women marched.

Blackfeet Women Against Fracking is one of several small, grassroots groups that have emerged recently as awareness builds of the energy development and potential environmental consequences.

Opponents of the development worry that if the exploration continues unchecked, the hydraulically fractured oil wells and flare stacks could contaminate a pristine ecosystem and disturb centuries-old cultural sites.

During hydraulic fracturing, hundreds of thousands of gallons of water, sand and chemicals are injected into wells to create cracks and fissures to draw out oil and gas deposits.

Between 420,000 and 630,000 gallons of water are required to "frack" each well site, and chemicals make up 2 percent of the fracking fluid.

The highest potential for environmental hazards occurs above ground. About 40 percent of the flowback fluid from hydraulic fracturing surges to the surface and must be collected and transported to an injection site.

Matt and other stakeholders have called for a moratorium on fracking, at least until companies like Denver-based Anschutz Exploration Corp. can provide concrete information about how the exploratory wells will collectively affect the landscape, both culturally and environmentally.

"People say we live in poverty, but we have everything we want right here," Matt said. "Our forests, our mountains, our streams. But everything depends on our sacred water."

Other interest groups, like the National Parks Conservation Association, which lent its support to Matt, hope the water walk will help move the conversation forward.

"We absolutely and fully support anything that encourages a robust discussion about fracking on the reservation," Michael Jamison, NPCA's Glacier program manager, said. "This could have a big change culturally and could really affect the reservation, its communities and the landscape in a fundamental way. If this water walk is part of accomplishing that discussion, that's great."

Officials at Glacier National Park are closely following the exploration activities, too, particularly those of Anschutz. In 2006, Anschutz received authority from the Blackfeet Tribal Business Council to drill exploratory wells on a 400,000-acre tract of reservation land abutting Glacier Park's eastern boundary.

Unlike other companies with lease rights to Blackfeet lands, however, Anschutz has not conducted a lease-wide, cumulative environmental assessment, and has been vague about its plans for development.

"All we know is that the wells keep coming," Matt said.

Along with the NPCA, Glacier National Park Superintendent Chas Cartwright has submitted his concerns to Anschutz, asking for a broader assessment of the impacts of full-field development.

Drilling has already occurred within a designated grizzly bear recovery zone, as well as around critical habitat for bull trout.

"We've never said 'stop fracking,' " Jamison said. "But if we are going to industrialize the Front Range, then we'd better have an honest conversation about the full-field impact before we get too far down the road."

On the final day of her walk, accompanied by more than a dozen supporters - a collection of friends and strangers alike, Indian and non-Indian, even a stray dog that had joined them at their final campsite - Matt oscillated between emotions high and low.

She cried at one of the final water crossings near Twin Lakes before covering the final five miles of baking asphalt, but as the group turned into Heart Butte, a celebration awaited them.

The 21st annual Heart Butte Society Celebration, held near the base of Heart Butte Summit, happened to coincide with the conclusion of the walk, and a village of tepees was erected.

Matt wore a broad smile across her tired face, and reflected on the trip. There was the hot climb up Divide Mountain, which straddles the border between the Blackfeet Indian Reservation's western edge and Glacier National Park. There were the 100-degree temperatures and the searing moments of self-doubt, when she guestioned whether every step she took was in vain.

But then, after a prayer and a cool dip, she would see clearly again.

"For a 60-year-old woman, climbing these hills, it hurts," she said. "But it doesn't hurt as much as seeing our clean and beautiful waters and our culture destroyed."

At the end of the walk, Matt only smiled.

"You did it, Pauline," one walker called out.

"We did it," she replied.

Caption: Pauline Matt, facing, and Rachel Hibbert embrace on the final day of the Chief Mountain Water Walk, an 80-mile journey between the sacred Blackfeet Indian sites of Chief Mountain and Heart Butte Summit (in the background). The women organized the walk to draw attention to the perils of widespread hydraulic fracturing on the Blackfeet Indian Reservation. - TRISTAN SCOTT/Missoulian On the sixth and final day of the Chief Mountain Water Walk, more than a dozen walkers joined Matt and Hibbert on their last 10-mile leg, including a stray dog they met at their campsite the night prior - TRISTAN SCOTT/Missoulian

Gas boom Marcellus Shale boosting construction

Bluefield Daily Telegraph (WV) - Sunday, August 12, 2012

Author: Bluefield Daily Telegraph

When the financial storm better known as the Great Recession took root in 2007, the nation's robust construction industry took a direct hit.

The economic meltdown forced businesses to halt expansion and relocation plans, and new housing construction also slowed. The impact was felt locally as well, with larger construction projects across the region coming to a standstill. A few exceptions included new school construction projects that were already funded, such as the River View High School facility in McDowell County and the PikeView Middle School project in Mercer County.

Today, as the national economy continues to whimper along at a disappointing pace, the Mountain State's construction industry is reporting a welcomed lift from the emerging Marcellus Shale drilling boom.

The state's construction industry employed 36,700 in June, which is up from 34,100 in June 2011, according to a recent report by the Associated General Contractors of America.

Mike Clowers, executive director of the Contractors Association of West Virginia, is crediting the growth to the vast Marcellus Shale field. For example, he says water and sewer contractors are putting in lines, highway contractors are putting in roads and aggregate suppliers are providing stone to the oil and gas industry.

Many in the industry are crediting the Marcellus Shale boom with the welcomed revitalization. The Associated Press reported last week that private nonresidential construction spending in West Virginia is also up 14 percent.

"With the fracking in West Virginia and neighboring parts of Ohio and Pennsylvania and interest in the chemical companies to put in ethane crackers ... nonresidential could benefit," Associated General Contractors of America's Chief Economist Ken Simonson said.

We find it rather interesting that the rise of fossil fuels such as natural gas and oil is helping to spur an economic revitalization in West Virginia. Those in Washington who are trying to do away with our abundant fossil fuels such as coal, oil and natural gas in favor of largely unproven green energy sources should take notice.

We welcome the Marcellus Shale drilling boom. What is good for northern West Virginia is also good for southern West Virginia.

Natural Gas Revolution Must Be Done Right

Grand Forks Herald (ND) - Saturday, August 11, 2012 Author: Thomas Friedman; Writes For The New York Time

We are in the midst of a natural gas revolution in America that is a potential game-changer for the economy, environment and our national security - if we do it right.

The enormous stores of natural gas that have been locked away in shale deposits across America that we've now been able to tap into, thanks to breakthroughs in seismic imaging, horizontal drilling and hydraulic fracturing, or "fracking," are enabling us to replace much dirtier coal with cleaner gas as the largest source of electricity generation in America. And, natural gas may soon be powering cars, trucks and ships, as well. This is helping to lower our carbon emissions faster than expected and make us more energy-secure. And, if prices stay low, it may enable America to bring back manufacturing that migrated overseas. But, as the energy and climate expert Hal Harvey puts it, there is just one big, hugely important question to be asked about this natural gas bounty: "Will it be a transition to a clean energy future, or does it defer a clean energy future?"

That is the question - because natural gas is still a fossil fuel. The good news: It emits only half as much greenhouse gas as coal when combusted and, therefore, contributes only half as much to global warming. The better news: The recent glut has made it inexpensive to deploy. But there is a hidden, long-term, cost: A sustained gas glut could undermine new investments in wind, solar, nuclear and energy efficiency systems - which have zero emissions - and thus keep us addicted to fossil fuels for decades.

That would be reckless. This year's global extremes of droughts and floods are totally consistent with models of disruptive, nonlinear climate change. After record warm temperatures in the first half of this year, it was no surprise to find last week that the Department of Agriculture has now designated more than half of all U.S.counties - 1, 584 in 32 states - as primary disaster areas where crops and grazing areas have been ravaged by drought.

That is why on May 29, the British newspaper The Guardian quoted Fatih Birol, chief economist for the International Energy Agency, as saying "a golden age for gas is not necessarily a golden age for the climate" - if natural gas ends up sinking renewables. Maria van der Hoeven, executive director of the IEA, urged governments to keep subsidies and regulations to encourage investments in wind, solar and other renewables "for years to come" so they remain competitive. Moreover, while natural gas is cleaner than coal, extracting it can be very dirty. We have to do this right. For instance, the carbon advantage can be undermined by leakage of uncombusted natural gas from wellheads and pipelines because methane - the primary component of natural gas - is an extremely powerful greenhouse gas, more powerful than carbon dioxide. The big oil companies can easily maintain high drilling standards, but a lot of fracking is done by mom-and-pop drillers that do not. The standards that can make fracking environmentally OK are not expensive, but the big drillers want to make sure that the little guys have to apply them, too, so everyone has the same cost basis.

On July 19, Forbes interviewed George Phydias Mitchell, who, in the 1990s, pioneered the use of fracking to break natural gas free from impermeable shale. According to Forbes, Mitchell argued that fracking needs to be regulated by the Department of Energy, not just states: "Because if they don't do it right, there could be trouble," he said. There's no excuse not to get it right. "There are good techniques to make it safe that should be followed properly," he said. But, the smaller, independent drillers, "are wild." "It's tough to control these independents. If they do something wrong and dangerous, they should punish them."

Fred Krupp, the president of the Environmental Defense Fund who has been working with the government and companies on drilling standards, said, "The economic and national security advantages of natural gas are obvious, but if you tour some of these areas of intensive development, the environmental impacts are equally obvious." We need nationally accepted standards for controlling methane leakage, for controlling water used in fracking - where you get it, how you treat the polluted water that comes out from the fracking process and how you protect aquifers - and for ensuring that communities have the right to say no to drilling. "The key message," said Krupp, "is you gotta get the rules right. States need real inspector capacity and compliance schemes where companies certify they have done it right and there are severe

penalties if they perjure."

Energy companies who want to keep regulations lax need to understand that a series of mishaps around natural gas will - justifiably - trigger an environmental backlash to stop it.

But, we also need to get the economics right. We'll need more tax revenue to reach a budget deal in January. Why not a carbon tax that raises enough money to help pay down the deficit and lower both personal income taxes and corporate taxes - and ensures that renewables remain competitive with natural gas? That would ensure this gas revolution transforms America, not just our electric grid.

Tracking correlates fracking, quakes

Austin American-Statesman (TX) - Tuesday, August 7, 2012

Author: Asher Price asherprice@statesman.com, American-Statesman Staff

Using newly available technology, a University of Texas seismologist tracking small earthquakes in the Barnett Shale play area of North Texas has found a correlation between geological disturbances and the sort of injection wells that are associated with hydraulic fracturing, according to research appearing this week in the journal Proceedings of the National Academy of Sciences.

Cliff Frohlich, associate director of UT's Institute for Geophysics, looked at quakes magnitude 3.0 or smaller from December 2009 to August 2011. Earthquake seismologists have identified a relationship between certain human activity - the construction of massive lakes, for instance - and seismic activity since at least the 1940s.

"Occasionally, people say to me, 'It's impossible that humans can cause earthquakes," Frohlich told the American-Statesman. "In my community, that's long-established."

Frohlich found that the most reliably located earthquakes - those accurate to within roughly a mile - occurred in eight groups, all within two miles of one or more high-production injection wells.

In hydraulic fracturing, or fracking, millions of gallons of water, mixed with sand and chemicals, are injected into rock thousands of feet underground to extract natural gas. Frohlich said the most likely explanation for the quakes is that once injected, the fluids apply pressure to faults in the area and unstick them.

Imagine, Frohlich said, a slightly inclined air hockey table, with the power turned off. A puck placed on the table will slip until friction stops it. Power up the table, introduce air, and the puck will begin to slide again.

"You can't prove any one of these (quakes) is related to injection," he said in an interview, but taken all together, there's a strong correlation.

Previously, the National Earthquake Information Center had identified only two earthquake groups in the area as strongly associated with specific injection wells. Frohlich said his research suggests injection-triggered earthquakes are far more common than is generally recognized.

"These small earthquakes aren't hurting anybody," Frohlich said. "People hear about a little earthquake and think you're going to have Haiti or Japan. It's like a storm: A magnitude 2.5 or 3 earthquake is fun. Maybe something falls off a shelf. It's just that Texans are not used to earthquakes."

Only now, Frohlich said, new more sophisticated equipment has picked them up. "There's almost no history of earthquakes in Johnson County," he said. "But that's partly because of the instrumentation."

Frohlich also found that many high-injection wells have no earthquakes nearby.

A National Academies of Science report published this year found that "hydraulic fracturing a well as presently implemented for shale gas recovery does not pose a high risk for inducing felt seismic events."

"Although only a very small fraction of injection and extraction activities at hundreds of thousands of energy development sites in the United States have induced seismicity at levels that are noticeable to the public, seismic events caused by or likely related to energy development have been measured and felt" in 13 states, including Texas, according to the report. These "induced seismic events" have not led to deaths or major damage.

Still, the report said: "Their effects have been felt locally, and they raise some concern about additional seismic activity and its consequences in areas where energy development is ongoing or planned."

The prescription: "Further research is required."

Contact Asher Price at 445-3643

Caption: Robert Calzada/American-Statesman

Protesters rally against fracking at Schlumberger

Leader, The (Corning, NY) - Sunday, August 12, 2012

Author: John Zick, Corning Leader

Gathered at the doorstep of one of their stated enemies, a large group of fracking protesters rallied against the controversial drilling technique Saturday, saying it's up to ordinary people to save the environment.

"We're not going to ask the politicians," organizer Sam Law said. "The politicians can take the lead from us. We don't need permission to protect our community."

Law and approximately 100 other protesters gathered late Saturday morning at the entrance of Schlumberger, the world's leading oilfield services company, in Horseheads. The group's goal was to shut down operations at Schlumberger, and the rally included signs, speakers and chants, including, "We won't stop until they stop," and "Our air and water are under attack. What do we do? Stand up, fight back."

Saturday afternoon, Law posted the following on his group's website: "Protesters were prepared to risk arrest blockading trucks from entering the single-entry gate into the facility, but at this point, the goal of the demonstration has been accomplished without arrests: Schlumberger has been shut down."

Law said 15-20 of the protesters were willing to get arrested blocking truck traffic to Schlumberger.

State troopers and Horseheads police officers arrived at the rally around 11:30 a.m., but they treated the rally as a peaceful protest.

Officers made contact with the protesters, then observed from a distance. Law said the group had no contact with Schlumberger representatives.

Even with police watching the rally, protesters seemed unfazed.

"We're here to say: "This is our homeland, and we will protect it," said Sandra Steingraber, an ecologist and author.

Said protester Kat Stevens: "This is the place that makes the destruction of Pennsylvania possible."

Beyond supporting drilling operations in Pennsylvania, Schlumberger is a nuisance to Horseheads residents because of the silica dust it spreads, the noise it makes and its bright overnight lights that "make Yankee Stadium look dim." protester Ruth Young said.

The group said finding new sources of energy is important, but the focus should be on going green.

"The sooner this fracking bridge to nowhere is gone, the sooner the workers can be trained for the green-collar economy," Young said.

The rally was organized by Shaleshock Direct Action Working Group, a coalition of community members from Chemung, Cortland, Schuyler, Seneca, and Tompkins counties. The organization's mission is to "defend people, land and water from hydro- fracking." Its website can be found at dontfrackwithus.org.

COAL-TO-NATURAL-GAS SWITCH COULD ALMOST HALVE GREENHOUSE GASES - CORNELL PROFESSOR: HYDRAULIC FRACTURING, DONE PROPERLY, IS A GOOD WAY TO GET THAT NATURAL GAS.

Post-Standard, The (Syracuse, NY) - Saturday, August 11, 2012 Author: Charles McChesney Staff writer

Switching from coal to natural gas will cut greenhouse gases 40 percent, even if getting the natural gas requires hydraulic fracturing, a Cornell University professor said in a recently published paper.

Lawrence M. Cathles said switching to natural gas is a smart move because it's a "natural transition fuel."

"From a greenhouse point of view, it would be better to replace coal electrical facilities with nuclear plants, wind farms and solar panels, but replacing them with natural gas stations will be faster, cheaper," and achieve 40 percent of the benefits of doing away with fossil fuels, he said.

Cathles' paper, published in the peer-reviewed online journal "Geochemistry, Geophysics and Geosystems," addresses other research that claimed switching from coal to natural gas would have limited benefits because natural gas processing and shipping results in leakage of methane, a potent greenhouse gas.

Cathles said that research is flawed because it is based on what happened to Russian gas fields and pipelines during the fall of the Soviet Union.

"We're not talking about Russian pipelines," he said. "We're talking about U.S. pipelines."

Replacing coal in power plants reduces greenhouse gases -- carbon dioxide and other gases that create global warming by trapping the sun's heat in the atmosphere -- because natural gas creates fewer such gases and can produce electricity more efficiently than coal can.

"Natural gas can convert up to about 60 percent of its fuel energy to electricity," Cathles said. "Coal can't get more than 38 percent."

His paper considered what would happen if the world switched immediately from coal to nuclear, solar, wind and other non-greenhouse-gas-producing sources. However, in an interview, he said such a consideration was "just an academic exercise," because it simply isn't possible to do so at this point.

Further, he said, as wind and solar power are more widely adopted, the possible problems and negative environmental impacts they create will become better understood.

"We'll get into risks as we do it," he said.

Cathles said he favored the development of natural gas Upstate, even if it requires hydrofracking, noting its economic impact. It has to be done right, he said, but the risk to water could be managed. Plus, he said, its footprint would be quite small compared to its economic benefit.

"I think natural gas would be a very good thing for our area," he said.

Cathles, who has a doctorate, from Princeton University and has been at Cornell since 1987, said the sooner natural gas replaces coal, the sooner the benefits will be felt.

Cathles' research received no outside money, Cornell said.

Contact Charles McChesney at cmcchesney@syracuse.com or 470-2244.

Dork Ketal Speciality Catalysts Assigned Patent

ALEXANDRIA, Va., Aug. 11 -- Dork Ketal Speciality Catalysts, Stafford, Texas, has been assigned a patent (8,236,739) developed by Donald Edward Putzig, Newark, Del., for "zirconium-based cross-linker compositions and their use in high pH oil field applications."

The abstract of the patent published by the U.S. Patent and Trademark Office states: "A cross-linking composition which comprises (a) an aqueous liquid, (b) a cross-linkable organic polymer, and (c) a solution comprising a zirconium cross-linking agent which comprises a zirconium complex having a molar ratio of 1:2 to 1:4 of zirconium to triethanolamine and a molar ratio of 1:0.1 to 1:1 of zirconium to N,N,N',N'-tetrakis-(2-hydroxypropyl)-ethylene diamine. The composition can be used in oil field applications for hydraulic fracturing and plugging of permeable zones and leaks in subterranean formations."

The patent application was filed on March 30, 2007 (11/731,049). The full-text of the patent can be found at

Written by Satyaban Rath; edited by Hemanta Panigrahi.

Highway for frac sand plant may affect Amish - 1 semitrailer truck per minute would rumble down road. Dayton Daily News (OH) - Saturday, August 11, 2012

Author: ByJosephine Marcotty StarTribune (Minneapolis) (MCT)

ST. CHES, MINN. – County Road 37 is one of those breathtaking country lanes that winds through green hills and – in this hot summer – corn that is head high in July.

It's also the main thoroughfare for about 80 Amish families who live and travel by buggy along it, and who are now taking the unusual step of speaking out publicly on a community controversy: a proposal to turn their county road into a fracsand highway.

"We don't go to court," said Jake Shetler, an Amish farmer and cabinetmaker who's raising 14 children in his home along a sharp curve in the road. "It's against our religion. But I will do everything I can to stop this."

"This" is a massive facility to wash and ship sand that a local company has proposed on 300 acres of farm fields just east of this small town near Rochester.

The plant would supply the fast-growing oil and gas hydrofracking industry that has taken off in states from North Dakota to Texas to Pennsylvania. Wisconsin and southeast Minnesota are on the brink of a new boom because the particular kind of sand used in hydrofracking makes up the distinctive green, rolling hills in this part of the state and the bluffs of the Mississippi River.

Developers of the St. Charles proposal, called Farm2Rail, have said in public meetings that the sand-washing facility, plus 14 more agricultural and industrial warehouses that could be part of the project, would be enclosed and out of sight.

But the sand would come from mines yet to be dug across this band of Minnesota – at a rate of one semitrailer truck per minute when the plant is open.

The Amish say the truck trafficwouldn't change their way of life – it would destroy it.

The latest plan calls for the road to be paved and straightened so trucks wouldn't have to go through downtown St. Charles to get to the processing facility.

The plan also envisions 900 round trips a day.

"I don't know if you would see anyone staying," Shetler said.

Event planned for Monday - Fracking subject of seminar

Laurinburg Exchange, The (NC) - Saturday, August 11, 2012

Scotland residents will get a chance next week to learn more about an issue that has been subject to a lot of debate lately – fracking .

A seminar will start at noon on Monday at the county Cooperative Extension office in Laurinburg. Attendees are invited to bring their own lunch. Dessert and drinks will be provided.

The event is sponsored by the Scotland County Cooperative Extension Advisory Council.

NC State University professor and agricultural lawyer Ted Feitshans will lead the program, which is expected to include a slide presentation as well as a question-and-answer session aimed at providing information about fracking ahead of its arrival in North Carolina.

"Mr. Feitshans is very learned on the overall subject of fracking," said Randy Wood, director of the county Cooperative Extension office. "We expect him to present a very neutral and informative program so people can make up their own minds. We see it as an opportunity for Scotland county residents to be more informed.

Fracking

Feitshans said fracking has it pros and cons.

"Production of oil and gas from shale has been a game changer in the energy business" and "opens the possibility that the United States will regain its position as an energy super power," Feitshans said.

Hydraulic fracturing (fracking) is the method by which the lucrative mining of oil and gas from shale is made possible. Fracking operations are already underway in states like Texas and Pennsylvania.

North Carolina has become a fracking target because of its "hydrocarbon-bearing shale deposit that runs from Anson County north to Durham and Wake Counties," Feitshans said.

Activity is currently centered in Lee, Chatham and Moore Counties, although less well explored deposits are known to exist elsewhere in North Carolina.

Energy companies are only now targeting North Carolina deposits because of their relatively limited size. They are also honing in on the state for the first time because of new legislation paving the way for fracking in the state to being in 2014.

Feitshans believes that the economic ripple effects of fracking in North Carolina could be substantial.

"Production of oil and gas from shale has opened economic opportunities for many," Feitshans said. "Even places like Scotland County could potentially benefit from selling sand, gravel, water and other supplies."

"There are also downsides."

Among those downsides are that the process uses large quantities of water, creates waste that requires specialize handling and can cause air, ground and surface water contamination.

"Rural communities often experience increases in traffic and crime and changes to the rural character of towns and countryside," Feitshans said.

Even in a worst-case scenario Feitshans said it is "not likely" that Scotland County would feel any serious environmental effects from fracking because of its distance from the state's shale deposits.

A new bill enacted by the General Assembly (over a veto by the governor) sets the framework for establishing an oil and gas industry in North Carolina, and tasks the Mining and Energy Commission with regulating that industry.

The Mining and Energy Commission, according to Feitshans, has been tasked with developing a regulatory program for the management of oil and gas exploration as well as the development and use of horizontal drilling and hydraulic fracturing practices in the state.

Law makers have also charged the commission with protecting public health and safety, property and the environment and balancing those interests with the goal of providing for the productive and efficient development of oil and gas resources in the state.

LEASING STATE LAND FOR SHALE WELLS CALLED A BUSINESS DECISION FISH AND BOAT COMMISSION CHIEF SAYS NEW REVENUE SOURCES SORELY NEEDED

Pittsburgh Post-Gazette (PA) - Saturday, August 11, 2012 Author: Janice Crompton, Pittsburgh Post-Gazette

When it comes to the mantra "drill baby drill" in the Marcellus Shale gas play, the head of one Pennsylvania agency said he found himself thinking of a different catch phrase: not so fast.

John Arway, executive director of the state Fish and Boat Commission, said he was torn between the commission's mission as stewards of the environment versus what could be significant -- and sorely needed -- new revenue sources generated by allowing Marcellus Shale natural gas drilling beneath some of the 56 dams managed by the commission statewide and by selling some of the water in the impoundments for hydraulic fracturing of gas wells, also called fracking.

"We struggled with that decision," Mr. Arway told a group of several dozen people who turned out in Claysville on Wednesday for an update on the progress of repairs at Dutch Fork Lake in nearby Donegal Township.

In the end, Mr. Arway said, the commission chose to lease some of its properties, including the 91-acre Dutch Fork, the Rose Valley Lake in Lycoming County and Donegal Lake in Westmoreland County.

For now, those recreational lakes -- used for fishing and boating, not for drinking water -- are the only bodies of water being leased by the commission, though more waterways and lakes could be leased if natural gas companies express an interest in them.

"With natural gas, we discovered we had a new asset," Mr. Arway said. "We had to look at it from a business perspective."

Because the private property around Dutch Fork had already been leased to drilling company Range Resources, Mr. Arway felt that natural gas deposits beneath the 53-year-old man-made lake and its surrounding property would naturally migrate once the neighboring wells were tapped -- leaving the commission without the natural resource or the income from it.

"I felt it would be irresponsible not to let that gas be extracted, so at least we could get compensated," said Mr. Arway, who said he never would have imagined two years ago that he would be siding with the natural gas industry regarding drilling.

Although anglers and boaters in Pennsylvania spend \$3.2 billion annually in fishing and boating purchases, the commission sees little of that revenue. It has three primary sources of income: fishing licenses, boat registration fees and federal excise taxes.

License sales have declined from a high in 1990 of more than 1.15 million issued to a low last year of fewer than 800,000 licenses.

Mr. Arway said the commission "can't even come close" to being able to fund the estimated \$46.5 million needed to repair the 19 "high-hazard" dams that have been deemed unsafe statewide. Dams are categorized as high-hazard if they threaten the safety of residents living downstream and could have a significant economic impact on the region.

Dutch Fork, an earthen impoundment emptied in 2004 after the remnants from Hurricane Ivan destroyed the concrete spillway, was one of those lakes that eventually found funding through the state's H2O grant program, established by the General Assembly in 2008. If the dam at Dutch Fork had failed before the lake was drained, it could have inundated 325 homes.

Commission representatives announced at Wednesday's meeting that \$5.1 million in repairs to the dam have been completed and the lake should be refilled and restocked with fish by early 2013.

When deciding whether to lease the commission's properties, Mr. Arway said he also considered that stringent lease terms with drillers would have more meaningful safeguards than state or local ordinances regarding shale drilling. Local oversight remains as vague as ever with the state Supreme Court expected to decide on an appeal of the statewide zoning provisions in Act 13 later this year.

The commission in April entered into a five-year lease with Range for non-surface drilling, meaning that there will be no well rigs on the commission's 566 acres around Dutch Fork.

Nearby private property owners will host the well rigs, which will drill horizontally beneath the lake and its surrounding acreage.

The 16-page lease also spells out environmental protections, including water monitoring conducted by the Washington County Watershed Alliance, an independent agency.

The watershed alliance is to install water sampling devices and provide the commission with annual reports, which will be available to the public online, detailing its findings.

Revenue from the \$2.24 million signing bonus the commission received from Range, along with 18 percent in royalty payments, is earmarked for a special fund that will be used to repair other high-hazard dams.

Another \$1 million that is to be diverted to the commission annually through new statewide impact fees established under Act 13 will be used to review permits involving streams, wetlands and wildlife.

Mr. Arway said no drilling company had yet approached the commission to discuss the possible sale of water in Dutch Fork Lake to be used for fracking , though the commission does have such an agreement at Donegal Lake.

Despite assurances, some residents, including John DeBord of South Strabane, said they remain concerned about drilling near the rural, serene setting.

Mr. DeBord asked Mr. Arway if he could guarantee that fracking water and other industrial fluids wouldn't leech into Dutch Fork. While Mr. Arway could offer "no guarantees," he said he felt he negotiated the best protections possible.

"Not so long ago, I felt exactly the way you did," Mr. Arway said. "We believe we can manage the risk better if we're part of the solution. We want to minimize the impacts."

"I'm just concerned about the irreversible possibility of pollution," Mr. DeBord said. "I'm concerned about the environmental impact of the toxic chemicals injected while fracking. I'm concerned about it leeching into the lake."

Donna Riggle of the Buffalo Creek Watershed Association said she cried when she heard about the lease between Range and the commission.

"I am concerned about the impacts of the entire natural gas extraction process," she said.

The association, a local nonprofit group, heavily lobbied legislators and raised funds and awareness during the past eight years to reopen the lake. Ms. Riggle said the group is grateful that the county watershed alliance will be overseeing possible environmental impacts.

"Having more eyes out there -- I think that's good," she said. "It's something that's needed."

The commission has no control over where in the area the wells are drilled, and Range spokesman Matt Pitzarella said there is no timeline yet for when or exactly where drilling would take place. Mr. Pitzarella said he didn't expect any unusual impacts and pointed out that many wells already have been drilled in the area.

"The anticipated impacts of this location is no different than any other, so there may be some short-term vehicle, lights or noise, but that's hard to say since there's no time set for drilling," Mr. Pitzarella said.

Myron Arnowitt, the Pennsylvania state director for Clean Water Action, said his primary concerns are accidental chemical spills that could pollute the watersheds located near the lakes that will be drilled, along with declining water quality from deforestation that might be necessary for drilling and air pollution issues.

"I think there certainly could be some impacts," he said. "Especially depending where the drills are located and how many wells we're talking about."

While the revenue generated by drilling is a bonus, Mr. Arnowitt questioned whether bonding from the drilling companies would be sufficient in the event of a catastrophe or unexpected problem.

"I do understand that the Fish and Boat Commission has a revenue problem," he said. "It's a shame that the state isn't supporting the commission so they don't need to resort to this type of thing to raise funds."

State Sen. Tim Solobay, D-Canonsburg, attended the Dutch Fork meeting Wednesday and said afterward he wasn't particularly concerned about impacts from drilling near the lake.

"Let it start and let's see what happens," he said. "It's not cast in stone."

Washington County Commissioner Larry Maggi said he, too, was adopting a wait-and-see attitude, though he also thought it unlikely that drilling would contaminate the lake or mar the scenery around it.

"You're going to keep your secluded, serene, fishing-hole atmosphere," he said. "I think there are enough safeguards in place to ensure they can co-exist."

Caption: PHOTO 1 PHOTO: Janice Crompton/Post-Gazette The new \$5.1 million dam and spillway at Dutch Fork Lake was recently completed by the state Fish and Boat Commission. The lake should be refilled and restocked with fish by spring.

Memo: Janice Crompton: jcrompton@post-gazette.com or 412-851-1867.

Brochure Guides Water Well Owners on Water Testing Related to Hydraulic Fracturing

Targeted News Service (USA) - Saturday, August 11, 2012

WESTERVILLE, Ohio, Aug. 10 -- The National Ground Water Association issued the following news release:

Household water well owners near oil and gas development and completion activities, including hydraulic fracturing, can get guidance about water testing from a new brochure produced by the National Ground Water Association and the Ground Water Protection Council.

The brochure can be downloaded from the "Water Quality" section of NGWA's WellOwner.org Web site or GWPC's Web site (http://www.gwpc.org/).

"This brochure provides simple, clear guidance to well owners. That's what many well owners say they want," said NGWA Public Awareness Director Cliff Treyens. "By also making the brochure available to state agencies and other groups, NGWA and GWPC can get this information to a wide audience of private well owners in oil- and gas-producing states."

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Research and Markets: Gas Shales in Europe, 2012 - Market Analysis, Industry Development and Competitive Landscape

Business Wire - Friday, August 10, 2012

Author: Research and Markets Laura Wood, Senior Manager press@researchandmarkets.com U.S. Fax: 646-607-1907 Fax (outside U.S.): +353-1-481-1716 Sector: Exploration and Production

Research and Markets (http://www.researchandmarkets.com/research/5954dw/gas_shales_in_euro) has announced the addition of GlobalData's new report "Gas Shales in Europe, 2012 - Market Analysis, Industry Development and Competitive Landscape" to their offering.

Eastern Europe Set to Lead Shale Gas Production in the Region.

Poland and Ukraine aim to free themselves from reliance on Russian gas imports, and make plans for domestic shale gas production, according to a new report by energy experts The authors.

The new report* argues that shale development is challenged by Eastern Europe's difficult land access, inadequate infrastructure, increasing protests against hydraulic fracturing and limited availability of drilling equipment, but acknowledges that positive government attitudes are putting these aspirations in reach.

Russia hold enormous natural gas reserves, and their export business has resulted in a near monopoly held by major Russian natural gas producer, Gazprom, throughout the East European region. This over dependence has led to a drive within Eastern Europe to seek alternative sources of natural gas.

Poland is currently at the forefront of shale gas development in Europe, and is believed to have significant recoverable shale gas reserves in the region. The country currently contains recoverable shale gas reserves of between 12.4tcf and 27.4tcf, with maximum recoverable shale gas reserves at 68.6tcf, which if exploited can provide for at least 24 years of the country's natural gas needs at current consumption rate. Representing around 30% of the total European shale gas market, Poland is aiming to maintain this dominance through numerous exploration projects and concessions.

For more information visit http://www.researchandmarkets.com/research/5954dw/gas_shales_in_euro Source: GlobalData

PEMEX and CHMR Collaboration on New Non -Hydraulic Shale Oil Extraction System Begins Monday in Mexico City

Business Wire - Friday, August 10, 2012

Author: Chimera Energy Corp Charles Grob, 832-390-2334

Chimera Energy Corp (OTCBB: CHMR) has announce that Company management has been scheduled to directly meet with PEMEX associates in Mexico City beginning this Monday regarding a collaboration for utilizing CHMR's revolutionary exothermic Non-Hydraulic Extraction method throughout Latin America. The initial deal between the two companies was publicly announced yesterday. The Non-Hydraulic Extraction method is a revolutionary Shale Oil extraction technology designed to safely and economically replace hydraulic fracturing (AKA fracking and fracing) without negative environmental impacts. The new process uses no water.

PEMEX is the largest company in both Mexico and all of Latin America. Some of the largest concentrations of Shale Oil in the world are located throughout Latin America. The MOU precedes a supplemental encompassing agreement.

Non-Hydraulic Extraction has recently emerged to be asserted as a cheaper and more effective extraction method that does not affect groundwater at all. Chimera Energy Corp is in the process of reengineering this new method for mass production, relicensing and sales. For a description of how Non-Hydraulic Extraction works, high-speed broadband users may visit www.zerowaterfracking.com

Or you may alternatively visit www.chimeraenergyusa.com/investors.html

Chimera Energy Corp is a Texas corporation listed on the OTCBB under the trading symbol CHMR. Chimera Energy Corp (CHMR) acquires, develops, licenses and sells new energy technology and products that are designed to profit from the current domestic shale oil boom. CHMR competes in an industry sector that includes Halliburton (NYSE: HAL), Schlumberger (NYSE: SLB), EnCana Corporation (NYSE: ECA) and Continental Resources, Inc. (NYSE: CLR).

More information about Chimera Energy Corp may be found at www.ChimeraEnergyUSA.com

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This news release contains forward-looking information within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements that include the words "believes," "expects," "anticipate" or similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the company to differ materially from those expressed or implied by such forward-looking statements. In addition, description of anyone's past success, either financial or strategic, is no guarantee of future success. This news release speaks as of the date first set forth above and the company assumes no responsibility to update the information included herein for events occurring after the date hereof.

Fracking opponents call for DEC official's resignation

Daily Star, The (Oneonta, NY) - Friday, August 10, 2012

Author: Joe Mahoney, Staff Writer

COOPERSTOWN -- A coalition of scientists and anti- fracking activists Thursday accused the state Department of Environmental Conservation of ignoring input from "independent experts" on shale gas drilling and urged Gov. Andrew Cuomo to extend the moratorium on high-volume hydraulic fracturing .

The drilling opponents, in an open letter to Cuomo, stated, "The failure to engage us in substantive discussions contradicts your repeated statement that science, facts and information will form the basis of your decision."

They also called for the resignation of Bradley Field, the DEC official who oversees the Division of Mineral Resources, saying he signed a petition "denying the demonstrable harm of climate change."

The DEC is completing its final review of hydrofracking regulations, which should be released by the end of the year, a spokeswoman for the agency said.

Those signing the letter included, among others: Lou Allstadt of Cooperstown, a retired Mobil Oil Corp. executive who oversaw the company's drilling and pipeline operations in the Western Hemisphere; Cornell University ecology professor Robert Howarth; Cornell University engineering professor Anthony Ingraffea; and Sandra Steingraber, a biologist who has researched environmental links to cancer. Also signing it was Larry Bennett, public relations manager for Brewery Ommegang in Cooperstown.

In response to the demand for Field's ouster, DEC spokeswoman Emily DeSantis said, "If Mr. Field did sign such a petition, it was in a personal capacity and had no bearings on his professional duties."

In response to the call for extending the moratorium on hydrofracking, DeSantis said the draft regulations contain "robust measures to strictly limit emissions."

"Our review of high-volume hydraulic fracturing is continuing and no decisions have been made," she said. "The DEC is carefully reviewing and considering all 80,000 comments received during the public comment period. These comments will inform the program developed by the DEC."

Synergy Resources Issues Mid -Quarter Drilling and Production Update on Vertical and Horizontal Wells PR Newswire (USA) - Friday, August 10, 2012 Author: Synergy Resources Corporation

PLATTEVILLE, Colo., Aug. 10, 2012 /PRNewswire/ -- Synergy Resources Corporation (NYSE Mkt: SYRG), a U.S. oil and gas exploration and production company focused on the Denver-Julesburg (D-J) Basin, has issued a mid-quarter update on its drilling and production activity.

Vertical Drilling ActivitySynergy recently reached a major milestone by drilling its 100th operated well, the Coyle 34-ND. Located in the Wattenberg Field, the well was spudded on July 30. The Coyle prospect is earmarked for eight new wells, with drilling in progress and scheduled to be completed by the end of September.

Since June 1, the beginning of the company's 2012 fourth fiscal quarter, 10 wells have been drilled, with seven more scheduled for drilling by the end of August. Of the 10 drilled, seven were drilled in June and July at the Margil SE prospect. The rig was moved to the Coyle prospect where it is drilling the fourth well on an eight well pad. Synergy is currently using a second drilling rig to drill two wells at its Greeley Airport prospect.

During the course of its 2012 drilling program, Synergy expects to have drilled a total of 51 wells. This total, plus Synergy's working interest in new wells drilled by other operators, will increase its total holdings to approximately 207 gross wells and 159 net wells by August 31, 2012.

Horizontal Drilling and Production Activity A significant event in the previous quarter was the completion of the company's first horizontal well drilled in partnership with Noble Energy (NYSE Mkt: NBL). The company has since participated in four additional horizontal wells in the Niobrara formation and has agreed to participate in eight more horizontal wells to be drilled by various operators.

Among these were two horizontal wells, Leffler 24-1H and Leffler 14-1H, which were drilled in partnership with PDC Energy, Inc. (NASDAQ: PDCE). The initial 60 day average rate for Leffler 24-1H was 226 barrels of oil per day (bbls/d) and 533 mcf of gas per day (mcf/d).

For Leffler 14-1H, the initial 60 day average rate was 269 bbls/d and 404 mcf/d. Synergy owns a 27.9% working interest in Leffler 24-1H and a 6.1% working interest in Leffler 14-1H.

Production UpdateDuring the 2012 fourth fiscal quarter, Synergy plans to commence production on 16 recently drilled and operated wells. Nine Aims/Greeley Country Club wells were completed and initial production began in late July. Seven Margil SE wells are complete and should have first production dates during August.

Seven of the Aims/Greeley Country Club wells were drilled through the Niobrara formation and Codell formations to the Greenhorn formation, while two were drilled deeper to the J-Sand formation. All of the wells provide incremental production potential from these deeper zones after initially producing from the Codell and Niobrara zones.

The initial production zones for seven of the Aims/Greeley Country Club wells are in the Codell formation. An eighth well will produce from the Niobrara formation and the ninth well will produce by comingling the Niobrara and Codell formations initially. The production plan for the other eight wells involves sequential extraction from individual formations until pressures equalize, at which time production from all target zones will be comingled.

As also reported by other operators, production throughput for the past few months has been affected by high line pressure experienced by a third party provider of gathering, processing and transportation facilities. Record production in the Wattenberg Field has strained the capacity of the gathering system and has contributed, along with equipment issues and the seasonal impact of higher than normal temperatures, to the elevated line pressure.

Corrective measures to cure the high pressure are underway. Synergy is installing improved equipment at certain wells to address the issue. Planned maintenance and modification expenditures on the gas gathering system have been accelerated. The typical post summer seasonal decline in overall pressure should provide some relief. On a longer term basis, the third party provider has announced plans for \$500 million to \$750 million in capital expenditures over the next 30 months to more than double its current gathering capacity. Midstream capacity is expected to increase substantially by the summer of 2013 when a new processing plant in LaSalle, Colorado comes on line.

Management expects to remain on plan with its internal vertical and horizontal drilling program, as they see little long term impact of the current pressure and capacity issues. Therefore, management reiterates its capital expenditure budget for fiscal 2013 of approximately \$55 million.

"We are excited about our recent accomplishments and future prospects as we continue to pursue our development and drilling program," said Ed Holloway, Synergy's president and CEO. "We believe the pressure issues are short term and will be largely remedied in calendar year 2013. Drilling 51 wells in our current drilling program demonstrates our ability to execute on an aggressive plan, and provides momentum for our fiscal 2013 operations. Further, the valuable experience we have gained by participating with other operators has allowed us to plan for horizontal wells to drill and operate for our own account."

For more information about Synergy Resources Corp., contact Justin Vaicek at Liolios Group at 949-574-3860 or email SYRG@liolios.com.

About Synergy Resources CorporationSynergy Resources Corporation is a domestic oil and natural gas exploration and production company. Synergy's core area of operations is in the Denver-Julesburg Basin, which encompasses Colorado, Wyoming, Kansas, and Nebraska. The Wattenberg field in the D-J Basin ranks as one of the most productive fields in the U.S. The company's corporate offices are located in Platteville, Colorado. More company news and information about Synergy Resources is available at www.SYRGinfo.com.

Important Cautions Regarding Forward Looking Statements This press release may contain forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "believes," "expects," "anticipates," "intends," "plans," "estimates," "should," "likely" or similar expressions, indicates a forward-looking statement. These statements are subject to risks and uncertainties and are based on the beliefs and assumptions of management, and information currently available to management. The actual results could differ materially from a conclusion, forecast or projection in the forward-looking information. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information. The identification in this press release of factors that may affect the company's future performance and the accuracy of forward-looking statements is meant to be illustrative and by no means exhaustive. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. Factors that could cause the company's actual results to differ materially from those expressed or implied by forward-looking statements include, but are not limited to: the success of the company's exploration and development efforts; the price of oil and gas; the worldwide economic situation; changes in interest rates or inflation; the ability of the Company to transport gas; willingness and ability of third parties to honor their contractual commitments; the company's ability to raise additional capital, as it may be affected by current conditions in the stock market and competition in the oil and gas industry for risk capital; the company's capital costs, which may be affected by delays or cost overruns; costs of production; environmental and other regulations, as the same presently exist or may later be amended; the company's ability to identify, finance and integrate any future acquisitions; and the volatility of the

company's stock price.

SOURCE Synergy Resources Corporation

FRACKING: Water, natural gas exploration dominate conference discussion

Sanford Herald, The (NC) - Friday, August 10, 2012

Author: WILL DORAN Sanford Herald

RALEIGH – More than 100 people packed into a ballroom in a downtown Raleigh hotel Thursday to discuss one of the most controversial topics in North Carolina today: drilling for natural gas.

Thursday was the first day of a two-day conference organized by the American Groundwater Trust, a New Hampshire company that focuses on both the protection of water and its economic value.

Water is a central concern for both opponents and proponents of hydraulic fracturing, or fracking. Opponents seek to prevent potential harm to the water supply, and proponents are worried about getting the massive amounts of water required to drill.

Robin Smith, assistant secretary for the environment for the N.C. Department of Environment and Natural Resources, said little, if any, extra effort will be expended to force drilling companies to disclose all of the chemicals they inject into the ground to force gas to the surface. Some of the chemicals are subject to public records law, she said, but others are exempt because they're classified as trade secrets. Smith said she doesn't expect that to change, based on language in the bill legalized fracking earlier this summer.

"It basically retains the status quo," she said while delivering the keynote address to the conference, held in the DoubleTree by Hilton Hotel Raleigh Brownstone-University, located on Hillsborough Street. Smith, who fielded several questions from the audience, also said there aren't concrete plans right now to train inspectors, since her office must first come up with the rules and regulations under which those inspectors will operate.

"The more you know up front, the easier it is," she said, adding that unfortunately, her office still has much to learn about fracking.

She said the lack of knowledge that will delay regulations – and therefore drilling – might actually work out in North Carolina's favor.

Because the market price of natural gas is so low, and therefore very few companies are putting pressure on the state to start drilling immediately, Smith said, officials should have ample time to study any potential harms of fracking and to develop ways to protect the environment once fracking starts.

Once it does begin, fracking will also have a large effect simply on the availability of water due to the need for hundreds of millions of gallons of water – possibly even billions – from local lakes, rivers and underground supplies.

Each gas well requires between 4 million and 7 million gallons of water, according to Frank Sheffield, a former Hillsborough mayor who is now an environmental lawyer based in New Bern. With so much water involved, legal battles almost always arise.

Sheffield, a Texas native, said that as an example, Arlington, Texas, has more than 300 wells within its city limits. That means the city needs between 1.2 and 2.1 billion gallons of water just for drilling. There isn't an estimate for how many wells might be drilled in Lee County – which is tentatively thought to be the hot-spot for fracking in the state – but Sheffield implied that the numbers might be similar.

Lee County native Ray Covington's family owns one of the few pieces of property in the state where exploratory gas wells have been drilled. And Covington, who is also on the state's Mining and Energy Commission that will have regulatory power over fracking, said the typical unit of land for drilling

purposes is 640 acres. He said that depending on the depth of the shale reserve – where gas is found – and other geographical features, there could be only one well per unit, or several.

There are approximately 165,760 acres of land in Lee County (compared to 63,360 in Arlington, with its 300 wells), and several thousand acres have already been leased to energy companies, according to documents from the Lee County Register of Deeds. With at least one well for every 640 acres, but probably more, that equates to tens of millions of gallons of water just for the few parcels that have already been leased, with the start of fracking still a few years away.

Sheffield said there's enough water to meet the demand for drilling in North Carolina as long as there isn't a drought. However, Lee County is currently listed as abnormally dry – one step below a drought – which comes with warnings to guard for diminished water capacity.

There's also a question as to whether the water in question, primarily from Deep River and Haw River, will be available to mining companies or if they will be forced to find water from other sources, which Sheffield said could lead to problems.

"They might have to truck it in, but they would have to build roads," he said. "Or they might pipe it in, but they would need the (land) rights to do that."

Sheffield also said that added to the issue of where water will come from is what liabilities companies will assume. For example, he said leases from WhitMar Exploration Company, a Colorado firm that has already leased a few thousand acres of mineral rights in Lee County, do not always give land owners the best protection where water rights are concerned.

This conference in the heart of the state capital, near the world-renowned Research Triangle Park, was orchestrated by a group from New Hampshire, and almost all of the companies that manned booths at the conference were from out of state, underscoring the point made by Smith that fracking remains a relatively unfamiliar endeavor in North Carolina.

Letters - Fracking wastes Ohio's most valuable resource: fresh water
ThisWeek Community Newspapers (Columbus, OH) - Thursday, August 9, 2012
To the editor:

There are alternate resources to increase our natural gas reserves in place of fracking wells. There is no substitute for safe drinking water. Chris Tucker, who represents Energy In Depth, appeared on a program sponsored by the Keith Campbell Foundation investigating fracking and safe drinking water. Mr. Tucker acknowledged there are no safe fracking procedures for natural gas. People have to determine the amount of health risk they approve to frack for natural gas.

Our politicians are debating to sell our drinking water for the fracking of natural gas. The Columbus Dispatch documented the price is 1 cent per gallon. What does that mean to people? When less than 1 percent of the earth water resource is safe drinking water, the average person cannot live more than three days without water and drinking water cannot be replaced with any other substance, that should make drinking water our most valuable resource.

Ohio plans to drill 2,250 fracking wells and these wells use about 8 millions gallons of water per well. This includes around 8,000 gallons of chemicals per well identified as arsenic, sodium, barium bromate and glychol. These chemicals are classified as a "poison" (see the CFR). I bet none of our elected politicians would offer to drink water that has been contaminated with the above chemicals.

What do you do with contaminated water? 2,250 wells times 8 million gallons of water add up to 18 billion gallons of hazardous waste. The Delaware reservoir contains about 433,381,830 gallons of water. You would have to drain the Delaware reservoir around 41/2 times to supply enough water to frack for natural gas. Go stand on the dam and think about how to replace 18 billion gallons of safe drinking water.

How do you legally dispose of 18 billion gallons of hazardous waste? Pennsylvania dumps their

hazardous waste in Ohio (great decision, politicians). I contacted the Ohio EPA and I could not find any hazardous-material shippers that are licensed to ship 18 billion gallons of hazardous waste material. So what good does it do Ohio citizens to create 18 billion gallons of hazardous waste?

I believe we are better off keeping our God-given 18 billion gallons of drinking water. States like Pennsylvania, West Virginia and New York are already polluting their drinking water. Their towns have to truck in water for consumption, washing clothes and bathing. These states are already driving down the price of natural gas. Tell our Ohio politicians to keep our drinking water, because we will be able to get cheap natural gas prices or other renewable sources of methane gas. Ohio drinking water is worth much more than the gas.

Joel Schaefer Delaware

Horizontal drilling focus of talks

Woodward News (OK) - Thursday, August 9, 2012

Author: Brandi Thomas, Woodward News

Woodward, Okla. – "Energy in depth, a horizontal view" was the theme and focus of the inaugural Tri-State Oil and Gas Convention (TSOGC) which was held at the Woodward Conference Center on Thursday, Aug. 9.

Junior Long, chair of TSOGC, said the theme was chosen due to the amount of horizontal drilling that is going on in Northwest Oklahoma and in the tri-state area.

While the convention provided a variety of information and perspectives on the oil and gas industry through breakout sessions and company displays, the 2 keynote speakers who addressed convention attendees mainly focused on the theme of horizontal drilling.

Dana Murphy

The first keynote speaker of the day was Corporation Commissioner Dana Murphy, an area native, who spoke on how horizontal drilling has made such an impact on the oil and gas industry in Oklahoma.

Across northwest Oklahoma, Murphy said that horizontal drilling is the reason there's been such a resurgence in the oil and gas industry.

"Drilling horizontally allows people to go into formations that were once drilled vertical, that people thought were used up, but now thanks to new technologies are producing once again," Murphy said.

However, she said these new technologies are also bringing up new challenges and concerns, including by royalty owner groups who say horizontal drilling creates questions about who owns the oil or gas, the property owners where the well is located or their neighbors.

"People are visual, and when someone sees a well head, they just assume that is where the product is coming from, when it could actually be coming from the neighbors land," she said.

Murphy also spoke about the challenges that come with hydraulic fracturing , which she said are nothing new.

"We have been getting this information for the last 30 years," she said about the chemicals fracturing companies use to fracture a well.

"The only thing that has changed is the public outcry for more information and what fracturing really is," Murphy said.

"This problem is not going to go away," she said, especially as hydraulic fracturing continues to make headline news.

To see how the state of Oklahoma is addressing fracturing practices, Murphy encouraged people to visit the website, fracfocus.org, to see all the state regulations on fracturing.

"Each state that fracturing takes place in must go through a peer review and Oklahoma was the only state that was not criticized for its fracturing practices," Murphy said.

Several who attended Murphy's address said they found it educational.

Mark Davis said, "I enjoyed her speech, she was very informative."

"Very informative," Jerri Gadberry agreed. "It was great to have her here in Woodward at our convention."

Frank Young, VP of Unit Petroleum

During the afternoon session of the Tri-State Oil and Gas Convention, Frank Young of Unit Petroleum spoke on how his company is using horizontal drilling in the Marmaton Play in Beaver County.

As Murphy had previously indicated, Young said, "Horizontal drilling has allowed us to redevelop areas that were once thought to be used up."

In Beaver County specifically, he said that horizontal drilling allowed them to reach other resources from existing wells. In addition the increase in production capability has allowed the company to expand from 11 producing wells on 45,000 acres to 75 producing wells on 110,000 acres since 2010.

"Drilling improvements also allowed us to lower our costs," Young said.

Unit Petroleum has also been able to cut down on water hauling costs by installing a salt water disposal system that has 6 of their 12 disposal wells connected.

"One of the big challenges we faced was how much electricity we use," Young said. "We have worked closely with Tri-County Electric Co-op and paid for them to put in a new substation to get us the power we need."

They have also worked closely with DCP Midstream on upgrading their pipeline.

Young said that one of the biggest issues they continue to face in Beaver County, is the spacing of wells.

"We plan on meeting with the Oklahoma Corporation Commission in the fall on how we can get this fixed," Young said.

He said the company is hoping to implement a program that will eliminate the need to move rigs as often and will cut down on costs as well as traffic in the drilling areas.

Slickwater Fracking dangerous

Cheboygan Daily Tribune (MI) - Wednesday, August 8, 2012

Thank you Cal Tillman, former mayor of Dish, Texas, for speaking about your experience with horizontal fracking . Tillman's presentations were attended by hundreds, both anti- fracking and pro- fracking advocates.

Tillman cautioned that property owners often cannot stop fracking on their property, as the mineral rights may be owned by others. One homeowner in Cheboygan County was surprised to learn that the State owned the mineral rights to his property, with no say in who wins the lease.

Michigan's environment, economy and public health are threatened dramatically by fracking as oil companies are exempt from Clean Air and Water Act regulations. They enjoy subsidies and exemptions from laws that renewables do not. Renewables cannot compete.

Once drilling begins, multiple wells are clustered to maximize profits. Poisonous gas leaks, chemical spills, blowouts, trucking accidents and carcinogenic air pollution have been documented in a shocking number of normal drilling activities. On Christmas Eve 2011, a valve failure just south of Grayling resulted in hundreds of calls to 911 centers from residents in Cheboygan, Charlevoix, Boyne City, Petoskey, and Harbor Springs about the smell of gas - more than 80 miles from the source of the leak.

Each fracked well consumes more than five million gallons of fresh water, which becomes contaminated permanently and is removed from the natural water cycle. These chemicals and radioactive substances, pumped into deep wells, risk contaminating fresh water supplies.

The State of Michigan has already auctioned off more than 500,000 acres of land (including in Cheboygan County) to gas and oil companies for possible well sites. This is an economic, health, and environmental threat to all of northern Michigan.

Say NO to slick-water fracking! Safeguards are not in place to protect the environment. Write and call City and County officials, U.S. Senators Levin and Stabenow, Congressman Benishek, Governor Snyder, State Senator Walker. Learn more at www.dontfrackmichigan.com Sherry Nelson, Indian River

API calls on Obama administration to make good on energy strategy

Penn Energy 08/09/2012

http://www.pennenergy.com/index/petroleum/display/7362104275/articles/pennenergy/petroleum/offshore/2012/august/coalition-of_governors.html?cmpid=EnlDailyPetroAugust132012

API Group Director of Upstream and Industry Operations Erik Milito today called on the administration to make good on its promise to pursue an all-of-the-above energy strategy.

National Oilwell Varco to buy Robbins & Myers for \$2.5B

Penn Energy 08/10/2012

http://www.pennenergy.com/index/petroleum/display/3939555120/articles/pennenergy/petroleum/finance/2012/august/national-oilwell_varco.html?cmpid=EnlDailyPetroAugust132012

Houston-based oil and gas equipment provider National Oilwell Varco Inc. announced that it will acquire Robbins & Myers Inc. for \$2.5B in cash.

Shale Gas - Opportunity or Threat for Global Ethylene Producers?

Penn Energy 08/10/2012

http://www.pennenergy.com/index/petroleum/display/8971801649/articles/pennenergy/petroleum/refining/2012/august/north-american shale.html?cmpid=EnlDailyPetroAugust132012

Nexant, Inc. announced the release of a special report forecasting North American shale gas output and its effects on natural gas pricing and natural gas liquids production.

New pipeline to transport Eagle Ford crude to Gulf Coast

San Antonio Business Journal by James Aldridge, Web Editor Date: Monday, August 6, 2012, 5:18pm CDT James Aldridge Web Editor- San Antonio Business Journal

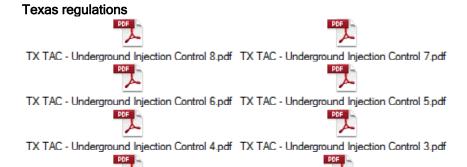
Plains All American Pipeline LP and Enterprise Products Partners LP have formed a crude-oil pipeline joint venture in South Texas that will transport oil from the Eagle Ford Shale to Houston-area refiners.

The Eagle Ford Shale is a prolific geologic formation just south of San Antonio that spans 24 counties across South Texas.

The joint venture will build a 140-mile line that will carry crude oil and condensate from South Texas to the Gulf Coast. The system will be able to transport 350,000 barrels per day.

Houston-based Plains All American operate the pipeline system. The pipeline will also connect to Enterprise's existing South Texas Crude Oil Pipeline.

"This joint venture provides necessary take-away capacity for the growing Eagle Ford region, while reducing capital costs and enhancing returns for both parties," Harry Pefanis, president and chief operating officer of Plains All American, said in a statement. "The combined project will provide shippers with the option to deliver to Three Rivers, Corpus Christi, Houston, and with dock capabilities at Corpus Christi to access other Gulf-Coast markets."



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